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372 Subject
LS-1614

7 July 1952

OGC Has Reviewed

MEMORANDUM FOR: Acting Deputy Director (Administration)

SUBJECT: Claims for Reimbursement of Personal Expenditures

REFERENCES: a. Memorandum to DD/A from AD/Commo, 27 June 1952,
Claim of [REDACTED]
25X1A b. Memorandum to DD/A through AD/CO, 28 June 1952,
Claim of [REDACTED]

25X1A

1. The referenced memoranda are illustrative of claims that have been made over a period of many years. In substance, these are claims for reimbursement of expenditures to which individuals were put by virtue of last minute cancellation or delay of travel. In the [REDACTED] case, the individual vacated his apartment on the scheduled date of departure and when his travel reservations were cancelled, it was necessary that he obtain hotel quarters for himself, his wife and two children for a period of ten days. In the [REDACTED] case, he timed the lease of his house with an RFD of 15 June. On 26 June, the commencement date of the lease, [REDACTED] was still in his house since his transportation had been cancelled. As a result, the tenant had to store his possessions since [REDACTED] was still in the house. The tenant requested and received reimbursement from [REDACTED] for such storage in the amount of \$150.

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2. Without dwelling on the regulations and the law, the conclusion is inescapable that expenses of this nature are not reimbursed under normal government rules. At this point, we can ask two questions: (a) Are there any circumstances which take these cases out of the normal government rule and (b) if there are no such special circumstances, should we use the power granted CIA with respect to unvouchered funds to reimburse expenses which are not permissible under normal government regulations?

3. It is true that in certain of these cases it can be argued that operational reasons were the basis for the cancellation or delay of travel. A more correct analysis of the problem is that whatever the reason, the travel has been cancelled or postponed which is not a situation peculiar to CIA. Repeated below is the Comptroller General's statement in connection with the use by CIA of its unusual authorities to grant a retroactive pay increase:

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"I feel certain it was not contemplated by the sponsors of the bill or by the Congress that this broad authority would be resorted to, or that it even contemplated a disregard of any control with respect to the normal administrative or operating problems which confront the ordinary Government agency." (Comp. Gen. B-106516, 21 November 1951)

4. In other types of cases, this office has had occasion to consider a possible right of the individual with respect to filing a claim outside of the Agency and the treatment it would receive, for example, in the Court of Claims. Normally this is a theoretical argument since practical security would prevent the filing of such claims. In certain of those cases where we have felt that the individual has been deprived of a substantive right for those security reasons, we have not attempted to prognosticate the finding of the court. This type of argument, in our opinion, fails generally with respect to the categorical cases illustrated by the referenced memoranda. In those cases individuals have not been deprived of substantive rights, and it is clear-cut that were they associated with any other government agency, their claims necessarily would be denied.

5. In summary, it is our opinion that in the absence of very peculiar circumstances, to use unvouchered funds to reimburse individuals for this type of expenditure, which throughout government is considered personal no matter how unfortunate, constitutes an improper use of the authority invested in CIA to expend funds without regard to any other provisions of law and solely on the certificate of the Director.

THOMAS R. HOUSTON
General Counsel

OCC/LRH/JFW:mb

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Enclosure:

Referenced Memoranda (a) and (b)

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ORIGINAL DOCUMENT MISSING PAGE(S):

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